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UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

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In re:

AMPAL-AMERICAN ISRAEL CORPORATION,

Chapter 7

Case No. 12-13689 (SMB)

Debtor.

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TRUSTEE'S SEVENTH STATUS REPORT

This status report is being filed with the Court to advise the Court, creditors, equity holders and other interested parties of Ampal-American Israel Corporation ("Ampal") of a significant event which has recently occurred in this Chapter 7 Bankruptcy Case.

1. Pursuant to an Order of the Bankruptcy Court filed on November 16, 2018 [ECF Doc. No. 822], the Bankruptcy Court approved a Stock Purchase Agreement dated September 26, 2018 (the "SPA") by and between Merhav-Ampal Group Ltd., an indirect subsidiary of Ampal as seller ("Seller"), and EMED Pipeline B.V. as purchaser ("Purchaser").

2. In accordance with § 11.1.2 of the SPA, the SPA may be terminated by either the Purchaser or the Seller if the closing has not occurred by June 30, 2019 for any reason.

3. The Purchaser has successfully completed the technical due diligence testing of the EMG pipeline and the related facilities and has determined that the EMG pipeline's condition is fit for the transport of natural gas and projected capacity in accordance with the SPA. The Purchaser, however, has advised the Seller that the ability to actually flow gas through the pipeline at Sheikh

Zuweid, in Egypt, has been delayed due to factors not within the control of either the Purchaser or the Seller. The Purchaser, as a result, requested that the Seller not exercise its right of termination prior to 11:59 p.m. on August 31, 2019.

4. On June 30, 2109 the Seller and Purchaser entered into a letter agreement ("Agreement") whereby the Seller has agreed not to exercise its right of termination and the Purchaser has agreed to pay Ampal the non-refundable amount of \$526,506.00 no later than five (5) business days following June 30, 2019.

5. The Agreement further provides that in the event the closing does not take place until after July 31, 2019, Purchaser shall pay to Ampal an additional amount of \$526,506.00 which shall be added to the consideration payable at the closing pursuant to the terms of the SPA.

6. The Purchaser has also agreed not to exercise its rights of termination prior to 11:59 p.m. on August 31, 2019.

Dated: New York, New York
July 2, 2019

By: 
Alex Spizz, Esq.
Chapter 7 Trustee of
Ampal-American Israel Corporation